

Fill in this information to identify the case:

United States Bankruptcy Court for the:

Northern District of Texas

(State)

Case number (if known): _____ Chapter 11☐ Check if this is an amended filing**Official Form 201****Voluntary Petition for Non-Individuals Filing for Bankruptcy**

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name KC7 Ranch, Ltd.

2. All other names debtor used in the last 8 years _____
 Include any assumed names, trade names, and *doing business* as names _____

3. Debtor's federal Employer Identification Number (EIN) 20 - 2990304

4. Debtor's address	Principal place of business	Mailing address, if different from principal place of business
	<u>4800 Bryant Irvin Court</u>	_____
	Number Street	Number Street
	_____	_____
	P.O. Box	_____
	<u>Fort Worth TX 76107</u>	_____
	City State ZIP Code	City State ZIP Code
	<u>Tarrant</u>	Location of principal assets, if different from principal place of business
	County	_____
		Number Street

		City State ZIP Code

5. Debtor's website (URL) None

6. Type of debtor
☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
☐ Partnership (excluding LLP)
☐ Other. Specify: _____

Debtor KC7 Ranch, Ltd.
Name

Case number (if known) _____

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
- ☐ Chapter 9

☒ Chapter 11. Check all that apply:

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**☒ No

☐ Yes. District _____ When _____ Case number _____
MM / DD / YYYY

District _____ When _____ Case number _____
MM / DD / YYYY

If more than 2 cases, attach a separate list.

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?☒ No

☐ Yes. Debtor _____ Relationship _____
District _____ When _____
MM / DD / YYYY

Case number, if known _____

List all cases. If more than 1, attach a separate list.

Debtor KC7 Ranch, Ltd. Case number (if known) _____
 Name _____

11. Why is the case filed in *this* district?

Check all that apply:

☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.

☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

☒ No

☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

☐ It needs to be physically secured or protected from the weather.

☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

☐ Other _____

Where is the property?

Number _____ Street _____

City _____ State _____ ZIP Code _____

Is the property insured?

☐ No

☐ Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

☒ Funds will be available for distribution to unsecured creditors.

☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

14. Estimated number of creditors

☒ 1-49

☐ 50-99

☐ 100-199

☐ 200-999

☐ 1,000-5,000

☐ 5,001-10,000

☐ 10,001-25,000

☐ 25,001-50,000

☐ 50,001-100,000

☐ More than 100,000

15. Estimated assets

☐ \$0-\$50,000

☐ \$50,001-\$100,000

☐ \$100,001-\$500,000

☐ \$500,001-\$1 million

☐ \$1,000,001-\$10 million

☐ \$10,000,001-\$50 million

☒ \$50,000,001-\$100 million

☐ \$100,000,001-\$500 million

☐ \$500,000,001-\$1 billion

☐ \$1,000,000,001-\$10 billion

☐ \$10,000,000,001-\$50 billion

☐ More than \$50 billion

Debtor KC7 Ranch, Ltd. Case number (if known) _____
 Name _____

16. Estimated liabilities

- | | | |
|--|---|--|
| <input type="checkbox"/> \$0-\$50,000 | <input type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input checked="" type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

- ☒ The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.
- ☐ I have been authorized to file this petition on behalf of the debtor.
- ☐ I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 12/28/2017
 MM / DD / YYYY

x Thomas F. Darden Thomas F. Darden
 Signature of authorized representative of debtor Printed name
President wp permon on jms
 Title

18. Signature of attorney

x J. Michael Sutherland 12/28/2017
 Signature of attorney for debtor Date
 MM / DD / YYYY

J. Michael Sutherland
 Printed name
Carrington, Coleman, Sloman & Blumenthal, L.L.P.
 Firm name
901 Main Street, Suite 5500
 Number Street
Dallas TX 75202
 City State ZIP Code
214-855-3069 msutherland@ccsb.com
 Contact phone Email address
19524200 TX
 Bar number State

**KC7 HOLDINGS, LLC
KC7 PARTNERS, LLC
KC7 GP, LLC
KC7 RANCH, LTD.**

OMNIBUS WRITTEN CONSENT

December 27, 2017

The undersigned, being (1) the sole Manager (the "Manager") of KC7 Holdings, LLC (the "Company"), (2) the sole member of KC7 Partners, LLC ("Partners"), the sole member of KC7 GP, LLC ("GP") and (4) the sole general partner of KC7 Ranch, Ltd. ("Ranch") do hereby take the following actions and adopt the following resolutions by unanimous written consent. Partners, GP and Ranch are referred to collectively as the "Filing Subsidiaries," and, together with the Company, are referred to collectively as the "Filing Entities". The sole members of Partners and GP, together with the sole general partner of Ranch, are referred to collectively as the "Subsidiary Parties").

WHEREAS, the Manager and the Subsidiary Parties are aware of the financial conditions and operations of the Filing Entities; and

WHEREAS, the Manager and the Subsidiary Parties are aware that Hitachi Infrastructure Systems (America), LLC ("Hitachi"), the mortgage holder with respect to a critical real property asset of Ranch commonly known as the "KC7 Ranch", has declared a default with respect to its outstanding loan (the "Hitachi Mortgage") and provided notice of a foreclosure sale of such real property on January 2, 2018; and

WHEREAS, the Manager and the Subsidiary Parties are aware that the previous sellers of the partnership interests of Ranch have asserted claims against certain Filing Entities in violation of the purchase agreements regarding such partnership interests of Ranch and such claims have rendered it difficult or impossible to obtain refinancing for the Hitachi Mortgage or an ordinary course purchaser for the KC7 Ranch; and

WHEREAS, the Manager and the Subsidiary Parties have extensively reviewed the restructuring alternatives available to the Filing Subsidiaries in light of the financial and operational condition of the Filing Entities; and

WHEREAS, the Manager and the Subsidiary Parties have consulted with and received advice from Carrington, Coleman, Sloman & Blumenthal, L.L.P. ("Carrington"), legal counsel to the Filing Entities, regarding the strategic alternatives available to the Filing Entities as a result of the current financial and operational condition of the Filing Entities; and

WHEREAS, the Manager and the Subsidiary Parties have determined that (i) the Filing Entities are unable to meet their obligations as they come due in the usual course of business, and that the Filing Entities can no longer continue their businesses profitably, and (ii) various creditors in addition to Hitachi, absent a restructuring proposal, would likely begin to exercise remedies against the Filing Entities; and

WHEREAS, the Manager and the Subsidiary Parties, after considerable review of the financial condition and circumstances of the Filing Entities, including the information presented by the Filing Entities' advisors, have made the informed determination that it is in the best interests of the Filing Entities, and their respective members and partners, their respective creditors and other interested parties, to file voluntary petitions (the "Voluntary Petitions") for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code").

NOW THEREFORE, BE IT RESOLVED, that the Filing Entities be, and hereby are, authorized to file with the United States Bankruptcy Court for the Northern District of Texas, or with any other appropriate bankruptcy court with jurisdiction (the "Bankruptcy Court"), the Voluntary Petitions for reorganization pursuant to the Bankruptcy Code and to perform any and all such acts as the Manager and the Subsidiary Parties, or other appropriate or designated officer or representative of the Filing Entities (collectively the "Authorized Representatives") deems to be reasonable, advisable, expedient, convenient, proper or necessary to effect the foregoing; and

FURTHER RESOLVED, that the Authorized Representatives be, and each of them hereby is, authorized and empowered to execute and deliver and file or cause to be filed with the Bankruptcy Court, on behalf of the Filing Entities, the Voluntary Petitions pursuant to Chapter 11 of the Bankruptcy Code and any and all other documents necessary or appropriate in connection therewith, each in such form or forms as the Authorized Representatives so acting may approve; and

FURTHER RESOLVED, that the Filing Entities be, and they are hereby, authorized to file the Voluntary Petitions; and

FURTHER RESOLVED, that the Authorized Representatives be, and each of them hereby is, authorized and empowered to take or cause to be taken any and all such further action, to execute and deliver any and all such further instruments and documents and to pay all such fees and expenses, as the Authorized Representatives so acting shall deem necessary, appropriate, or desirable in their judgment to fully carry out the intent and accomplish the purposes of these resolutions; and

FURTHER RESOLVED, that all actions heretofore taken by the Authorized Representatives, in the name of and on behalf of the Filing Entities, in connection with any of the foregoing matters be, and hereby are, in all respects ratified, confirmed and approved; and

FURTHER RESOLVED, that the Authorized Representatives be, and each of them hereby is, authorized and empowered, on behalf of and in the name of the Filing Entities, to employ and retain Carrington as general restructuring counsel for the Filing Entities in their bankruptcy cases (the "Chapter 11 Cases") to represent and assist the Filing Entities in carrying out their duties under the Bankruptcy Code, to take any and all actions to advance the rights and obligations of the Filing Entities, including filing any pleadings, and in connection therewith, authorized and directed to execute the appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the Chapter 11 Cases, and cause to be filed an appropriate application for authority to retain the services of Carrington; and

FURTHER RESOLVED, that the Authorized Representatives be, and each of them hereby is, authorized and empowered to use in connection with the Chapter 11 Cases and in accordance with the provisions of the Bankruptcy Code, any cash collateral pursuant to agreements reached with their creditors or otherwise; and

FURTHER RESOLVED, that the Authorized Representatives be, and each of them hereby is, authorized and empowered to negotiate, execute, and deliver agreements with regard to the use of cash collateral in connection with the Chapter 11 Cases and in accordance with the provisions of the Bankruptcy Code, including any agreements that may require the Filing Entities to grant liens and make payments to the Filing Entities' existing lenders, and to take such additional action and to execute and deliver each other agreement, instrument, or document to be executed and delivered by or on behalf of the Filing Entities pursuant thereto or in connection therewith, all with such changes therein and additions thereto that are in accordance with the provisions of the Bankruptcy Code as any Authorized Representative approves, such approval to be conclusively evidenced by the taking of such action or by the execution and delivery thereof; and

FURTHER RESOLVED, that the Authorized Representatives, or any of them be, and each hereby is, authorized, directed, and empowered, on behalf of and in the name of the Filing Entities to employ and retain such other legal, accounting, financial, and bankruptcy services firms as may be deemed necessary, appropriate, or desirable by the Authorized Representatives for the Chapter 11 Cases; and

FURTHER RESOLVED, that all prior lawful acts taken or caused to be taken by or on behalf of the Filing Entities by any Authorized Person and their respective authorized agents, in connection with the foregoing resolutions and all other documents and actions ancillary thereto be, and they hereby are, confirmed, ratified adopted and approved as acts of the Company or Filing Subsidiary, as the case may be; and

FURTHER RESOLVED, that each Subsidiary Party be, and hereby is, authorized and empowered, for and on behalf of its respective Filing Entity, to execute and deliver these resolutions; and

FURTHER RESOLVED, that the Authorized Representatives are, and each of them hereby is, authorized and empowered, for and on behalf of the Filing Entities, to prepare and deliver, or cause to be prepared and delivered and to execute any and all documents, instruments and consents and to do and perform any and all such other acts and things as they may deem necessary, appropriate or advisable to fully effectuate the purposes of each of the foregoing recitals and resolutions and to comply with the provisions of any of the documents or instruments approved or authorized hereby; and

FURTHER RESOLVED, that it is recognized that the Manager and, where applicable, each Subsidiary Party, has acted here solely in its or his or her respective capacities as a manager of the Company, a sole Member with respect to Partners and GP, and as the sole general partner with respect to Ranch, and not in any other capacity, including without limitation as a representative or agent for any individual creditor or equity owner of any Filing Entity with which any such Manager or Subsidiary Party may be associated or affiliated.


IN WITNESS WHEREOF, the undersigned have executed these resolutions as of the date set forth above.

KC7 HOLDINGS, LLC

By: 
Name: Thomas F. Darden
Title: Sole Manager

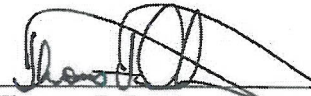
KC7 PARTNERS, LLC

By: **KC7 Holdings, LLC**
Its: **Sole Member**

By: 
Name: Thomas F. Darden
Title: President


KC7 GP, LLC

By: **KC7 Partners, LLC**
Its: **Sole Member**

By: 
Name: Thomas F. Darden
Title: President

KC7 RANCH, LTD.

By: **KC7 GP, LLC**
Its: **General Partner**

By: 
Name: Thomas F. Darden
Title: President